

Accounting Handbook

Expenditure Guidelines

Before expenditures will be made against any University funds, there must be evidence that the Purchasing Policies and Procedures promulgated by the Vice President for Administration and Finance have been followed, thereby insuring that a valid commitment of University funds has been made. General Policies concerning purchasing applies to all funds of the university regardless of source. All funds deposited with the University are University funds and must be handled consistently with university policies. Allocation of funds in a department budget result in authority to requisition, not to purchase. Obligations incurred by any employee of the University in conflict with the Purchasing Policies and Procedures become personal obligations of the employee and not of the University. For a more precise and detailed description of those policies and procedures relating to purchasing commitments, reference is made to the Procurement Manual issued by the Office of Vice President of Administration and Finance.

Every expenditure request must be signed by the appropriate budgetary authority for the account against which that expenditure is requested. In addition, prior to the time a check is written each request for expenditure/voucher must be signed on behalf of the Vice President for Administration and Finance, by designated employees authorized by the Board of Regents. Requests for expenditures not meeting the documentation standards and other guidelines contained in this document must be rejected, and a reason for such rejection will be clearly stated. Unless the problem is resolved by the requesting authority the Vice President, who has final authority in resolving all questions relating to validity of expenditures, will not approve the payment.

Requests for expenditures against all funds of the University shall be fully documented in accordance with these guidelines prior to authorization for payment.

There are several methods of payment for materials and services:

Payments involving purchase orders are handled by Accounts Payable.

When purchasing materials or services from a state agency to be paid with state funds payment is made by Interagency Transaction Voucher (ITV).

Contact Accounts Payable for assistance with ITV payments. ITV payments which exceed \$50,000 require written contracts. Payments for \$2,500 to \$50,000 require an informal letter of agreement between agencies.

Without a purchase order:

- (1) Original invoice or receipt from vendor.
- (2) Purchase voucher with complete description, including purpose or justification.
- (3) If employee is to be reimbursed for purchase, credit card receipt or copy of front and back of cancelled check is required.
- (4) A copy of any required written administrative approval.